



Oregon

Kate Brown, Governor



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MEETING NOTES

Energy Advisory Work Group

Monday, June 29, 2020

1:00 p.m. to 3:00 p.m.

Remote webinar

Meeting Attendees		
EAWG Members	Guests	ODOE Staff
Angela Crowley-Koch, OSEIA	Alex Sheibel	Adam Schultz
Annette Price, Pacific Power	Bradly Dickinson	Alan Zelenka
Fred Heutte, NW Energy	Charles Deister	Allan Bates
Jana Gastellum, Oregon Environmental Council	Dan Kirschner	Cathy Connolly
Janice Thompson, Oregon Citizen's Utility Board	Eric Strid	Christie Splitt
Keith Kueny, Oregon Community Action Partnership	Hanna Cruz	David McKay
Kelsey Wilson, Western States Petroleum Association	Jay Ward	Erica Euen
Kevin Lynch, Iberdrola Group/Avangrid Renewables	Jeni Hall	Janine Benner
Lana Butterfield, Pacific Propane Gas Association	Jennifer Joly	Jeff Burreight
Nate Rivera, Hermiston Energy Services	Jessica	Jennifer Kalez
Nels Johnson, NW Natural	John Terpening	Jessica Reichers
Nicole Hughes, Renewable Northwest	Jonathan Belais	Ken Niles
Rebecca Carey-Smith, Portland General Electric	Jordan Bice	Linda Bures
Roger Kline, Northern Wasco county PUD	Kim Peacher	Miriha Aglietti
Tony Schacher, Salem Electric	Marcus Wiley	Michael Williams
	Montana Lewellen	Michelle Miller Harrington
	Nora Apter	Rebecca Smith
	Renee Klein	Todd Cornett
	Richard Devlin	Warren Cook
	Rick Williams	
	Sarah Buchwalter	
	Scott Peterson	
	Tyler Ernst	
	4 call-in participants	

WELCOME AND DIRECTOR'S UPDATE

Janine opened the meeting and welcomed EAWG members and interested parties.

- The meeting is focused on the development of ODOE's 2021–23 budget and a discussion on the 2020 Biennial Energy Report.
- Janine introduced Christy Splitt, ODOE's new Government Relations Coordinator. Christy worked previously in the legislature for Rep. Ben Cannon and Senator Arnie Roblan, and

most recently, for the Oregon League of Conservation Voters. Janine said she hoped that EAWG members will get a chance to meet her and work with her in person. Christy said she is excited to be working with familiar faces, and her door is open for questions, to chat, and to reconnect. She said that we are preparing for the upcoming session and will reach out on that topic in the future.

- Janine introduced a new Energy Advisory Work Group member, Nels Johnson with NW Natural, who is replacing Bill Edmonds. Bill moved on to accept the Executive Director position at the NW Power and Conservation Council. She sent ODOE's congratulations to Bill and thanked him for his service, and welcomed Nels, adding that we look forward to hearing from him at the roundtable.
- Since the last meeting, ODOE submitted the Climate Change Implementation report to the Governor per EO 20-04, adding that we are quite proud of the work that we are doing on climate change. This report identified a number of public and stakeholder engagement opportunities. We didn't set aside time specifically in this meeting for feedback but would welcome EAWG member feedback on the report during the roundtable. She said comments could be sent over email too.
- The Executive Order 20-04 directive on Appliance Efficiency Standards was discussed at the previous EAWG meeting, when we shared our draft legislative concept. Rulemaking for the new efficiency standards is underway: ODOE filed draft rules with the Secretary of State on June 29; there will be a public rulemaking hearing in July 23; and rulemaking will be complete by September 1, 2020. The legislation will need to be introduced next session to align statute to rules.
- Another Executive Order 20-04 directive outlines an effort to engage energy stakeholders in our work with the Building Codes Division to adopt new building energy codes. We are working with the Building Codes Division to convene monthly meetings and held the first one on June 16, 2020, where ODOE and BCD spoke with stakeholders about measuring progress towards the goals laid out in the Executive Order and getting people on the same page about the baseline. The meeting was well attended, and we were pleased with the level of discussion. The [meeting presentation and audio are on our website](#) along with a running Q and A on the codes process.
- Janine reminded members about ODOE's legislative concepts:
 - Appliance Efficiency Standards, which would align new rules with statute.
 - LC that changes the Energy Facility Siting Council quorum from five members to four.
 - LC that would clarify EFSC jurisdiction over standby generators. (Janine sent this LC to EAWG members in May. If anyone still needs a copy, ODOE is happy to share it again.)
- Janine also provided an update on the strategic plan. In the Spring, ODOE finalized [clarity elements](#) (vision, mission, and values) that we shared with the EAWG in January. We are ready to move into Phase 2, which involves further developing strategic imperatives and the objectives and initiatives associated with those imperatives. We look forward to sharing those with EAWG members next time we meet.
- After today's meeting we have planned for an informal discussion of two draft white papers on resource adequacy and emerging trends in renewable electricity. We offered embargoed copies for EAWG members to review ahead of the meeting.

Janine asked if there were any questions ahead of the EAWG members' roundtable. There were none.

EAWG MEMBERS ROUNDTABLE UPDATES

Nels Johnson – NW Natural. Nels indicated that he is excited to be here. He said Kathryn and Bill may join as well but had no updates at this time.

Jana Gastellum – Oregon Environmental Council. Jana is the Deputy Director for programs at the OEC. She welcomed Christy on board. They are continuing to navigate the COVID world. From an environmental sustainability perspective, they are interested in the trends that may continue with telecommuting. They continue to keep an eye on transit to ensure transit systems continue through challenging times. They are holistically doing work around water and thinking about climate impacts ahead of the summer. It is predicted to be a fairly bad wildfire season, given recent drought. Related to that, they are keeping an eye on waterways, keeping in mind that in 2018, Salem's water was not drinkable (due to algae bloom). They are making sure that as they recover from COVID-19 effects, they are doing it in a way that meets dual goals of health, sustainability, safety, and economic recovery. They are eager to see what the conversation looks like moving forward and are hoping to maintain some of the air quality gains that have happened.

Nicole Hughes – Renewable Northwest. RNW is trying to adjust to the reality of working from home and balancing family life with work life. Their new Strategic Plan is coming out around mid-July, which they will announce on their new website. She thanked those who had given input on their strategic plan. They are eagerly participating in discussions with various agencies on implementation of Executive Order 20-04. They are heavily involved in resource adequacy. They are excited about the large number of renewables planned for procurement in the PacifiCorp IRP, and are working on similar implementation of renewable energy standards and goals in the states they work in. RNW is excited to see ODOE's thorough implementation plan for the Executive Order and to participate and support that.

Fred Huetten – NW Energy Coalition. Fred reflected that it has been an overwhelming month in many ways, especially on the important issues facing us as a country. NWECC is thinking about how these challenges relate to their energy work. A primary concern is protecting people from the economic stresses of COVID-19 in relation to energy bills in the four northwest states they work in. They are working on customer protection policies: reconnection and payment flexibility. They are concerned about utility financial health. They are pushing to expand program funding at the federal level, starting with LIHEAP (bringing energy efficiency forward, protecting customers, utility bill assistance, clean energy effort, and jobs). The clean energy workforce has been decimated in the past quarter by the inability to go into people's houses. With job loss, they are focused on bringing workers back quickly, for both energy efficiency and across the clean energy sector for energy and economic benefits.

They sent a letter to Congress last month outlining their approach to a recovery package for clean energy. The House of Representatives is currently considering HR2, the Moving Forward

Act. Fred recognized ODOE for getting underway on the appliance standards process, and the Coalition submitted comments. They are involved in the building codes side, and are working on regulatory matters (PUC), distribution planning, community solar, IRPs, and COVID response. They hope the Department will stay fully involved on the PUC side.

The Coalition is offering a Webinar on Wednesday, entitled *Making Electricity Demand Manageable in the Northwest*, which will focus on grid integrated water-heating and the CTA2445 standard, one of the appliance standards being considered by the Department now. He [posted the webinar information](#) and encouraged attendees to register. Speakers: Conrad Eustis from PGE, Tony Koch from Bonneville, and Jeff Harris and Jeff Wicks from Northwest Energy Efficiency Alliance.

Kelsey Wilson – Western State Petroleum Association. WSPA is navigating the COVID world. She appreciates participating in the meeting and asked if there were questions.

Janice Thompson – Oregon Citizens Utility Board. (technical issues) Janice indicated to Janine in the WebEx chat function that her update is similar to Fred Huetten's.

Roger Kline – Northern Wasco County People's Utility District. NWCPUD has transitioned into wildfire watch, with a scare in the Rowena area this weekend. They continue to support the Joint Incident Command as the tri-county area is still actively responding to COVID-19. They are seeing more folks from the Portland Metro area coming out to recreate in the gorge. The community is advising caution and awareness as COVID-19 case numbers are going up for a variety of reasons.

Loads have increased in the data center space but continue to hold steady in residential. They feel fortunate that they made the AMI investment. They are working to ensure people maintain service – no disconnects for non-payment nor accrual of late fees and are returning customer deposits earlier. They launched a small business assistance program and are continuing to support Salem work, ensuring that the CAPs have access to help income-qualified folks get funds where they can. Their arrears accounts are the highest they have been. This impacts a small system like theirs and will be a 2020 and ongoing issue from a budget perspective. They are focused on how they speak about inclusion and respect for community members. Roger said that he appreciates Adam and others' work on the resource adequacy program, as well as continuing expansion of other renewables in the system. He mentioned his participation as a part of the NW RiverPartners Board and their outreach with the Waters Power Campaign talking about the benefits of the hydro system in the Northwest and how it is all connected.

Kevin Lynch – Iberdrola Group/Avangrid Renewables. AR are operating with 95% of their Portland office employees from home, who are scattered about virtually except for their Control Center 24/7 and some IT back up. Their power, wind, solar, and gas plants have been operating with various degrees of restricted interaction to a fairly high level of isolation over the course of the last 3.5 months. It has been a substantial adjustment, but they have kept things together with a fairly high level of availability to their communities. Their foundation has contributed through the Oregon Community Foundation with a focus on healthcare and nutrition services, with many communities around the state in great need. Notwithstanding the

stresses and struggles, they are repowering one of their older wind projects, Klondike II, in Sherman County, and expect that to be done by July or August. Earlier this month they broke ground on a new wind facility in Sherman County and are looking forward to fully mobilizing on that project in the fall.

Kerry Meade – Northwest Energy Efficiency Council. They are still working from home but are re-opening the smart business center in a limited capacity. The [tool lending library](#) was open to essential workers but is opening up now to everyone. They are working on guidelines to keep the capacity and uses low on their physical space but will provide opportunity for people to get together in a socially distanced manner. They recently launched a remote learning section on their website with the help of Puget Sound Energy in Washington state. This will offer online training resources, webinars, and their calendar. They are working towards digital training opportunities and with people working from home.

They recently hosted a webinar with Rocky Mountain Institute, DB Engineering and Recurve (a company based in California) on what COVID means in terms of smart buildings and smart technologies and practices, considering what they should be thinking about in the industry in terms of reopening their buildings. The recording is [located on their website](#). They have converted their full conference into a virtual series of smaller free events, and news will be coming out soon about that. They have pushed in-person events to the summer of 2021.

Annette Price – Pacific Power. Pacific Power was fortunate to work with a coalition in Oregon to ensure energy assistance dollars were allocated by the emergency board earlier in June. The coalition included both public and private utilities working together to get additional public dollars to their low-income customers. Pacific Power has presented their integrated resource plan before their commissions and have an ongoing rate case. They are following State and local government recommendations, while working remotely to keep their employees safe, but have not closed their office. They are working on a letter in the state of Washington similar to the one Oregon did, to request more energy assistance dollars from the governor from the CARES Act.

Nate Rivera – Hermiston Energy Services. Hermiston Energy started June with a significant outage with wind damage. This occurred at the end of their budget season and after they had set next year's budget. Last week, they announced a partnership with Umatilla Electric and Amazon Web Services where Amazon made a \$540,000 contribution to the region divided into energy assistance, local school districts, and food pantries. This was much needed relief for their community, where this area and Umatilla have one of the highest COVID-19 outbreaks in the state. They are in phase two, trying to ensure that city employees are doing what they can to educate, stay healthy, and keep people safe. They are seeing a customer base of about 25% that are on some level of 30-60-90-day late payments. They are now hitting their warmer months through September and are concerned for the community and how this is impacting them, with limited resources and rates that are set to cover the cost of utilities that typically don't plan on events like this. They are trying to be as responsive as possible and work with their community on it. They are making good progress and are making the community itself the priority.

Tony Schacher – Salem Electric. Salem Electric is working with about 70% of their employees working remotely and started a one-on two-off rotation with line crew. They were starting to get behind on capital projects, so they split the crew in half to more hands on deck to work with larger capital projects. The Salem Police Department has a new facility and need the power on. Salem Electric made sure they had a crew available to take care of that when it was needed. They are slowly bringing more folks back into the building now that both Marion and Polk Counties are opening. They are working with pretty high delinquent accounts. Each day is a new experiment, and they are in it for the long haul.

Keith Kueny – Oregon Community Action Partnership. OCAP received E-Board money and \$9 million from the CARES Act for LIHEAP, so \$24 million in all. The CARES Act money will have a minimum of \$500 payments for utilities maxed at \$1,200. There are some changes to eligibility, and they are going to allow for categorical eligibility. They are in negotiations over water and water assistance, which would be \$15 million for Oregon agencies if it passes the Senate. There has been an increase in requests for water assistance. With many federal restrictions on the CARES Act money, it will be hard to get the money out the door in the time period they would like. They are working on getting their agencies up and running remotely. Rural agencies are back to normal, but the larger cities are working on a remote set up. They will be very busy over the next six months.

Angela Crowley-Koch – Oregon Solar Energy Industries Association (OSEIA). She thanked ODOE for releasing some of the rebate dollars and they are beginning to process applications for solar and solar plus storage rebates. This was helpful to their installers to maintain work through the summer. They will be working in the upcoming special session to make sure to minimize cuts to the rebate program.

Janine apologized to those who have updates who were on the line but were unable to share due to technical issues. Anyone missed was asked to give their update in chat.

DRAFT 21-23 AGENCY REQUEST BUDGET DISCUSSION

Janine moved on to the Agency Budget, acknowledging that we are very sensitive to the State's budget situation and the budget situation of EAWG members and ESA ratepayers. She expressed appreciation hearing about the challenges EAWG members are facing with disconnects and their concern about the impact it will have on their revenues. ODOE is part of the conversations at the State level about these budget impacts, and while the full economic effects of COVID-19 on Oregon are not yet known, they do not look good. As Roger said, this is not just a 2020 issue that will stay with us – impacts are likely to be worse in the next biennium.

In May, the Governor's office asked all agencies that receive general fund to submit plans for how they would reduce their expenditures and those programs by 8.5%. ODOE's only general fund program is the Solar + Storage Rebate Program. Janine shared the plan with the EAWG members back in May and the cuts included reductions to services and supplies as well as to the rebates themselves. Action from the Legislature on those cuts is expected in July. They are waiting to see if Congress is going to help the states out. We are expecting that the services and supplies budget for that program will be cut. There will be additional cuts to all agencies. If the

State takes action to reduce expenditures in the area of personnel expenses, it is likely those reductions will apply to ODOE as well. In the meantime, ODOE is looking to reduce expenditures where we can. We have held positions vacant and slowed the hiring process to refill vital positions. We've seen a reduction in expenses associated with staff travel and training opportunities. We are looking at other things we can do to reduce our expenditures as we plant for the budget for the next biennium.

Assistant Director for Central Services Cathy Connolly is going to discuss the two-year period starting with July 2021. The process she will talk about is the same budget process we go through every two years. While we anticipate that things may be different this year, so far, the process has remained the same for every agency. We developed the current service level budget then we developed policy option packages, called POPs, that build on our current services in order to meet needs identified by stakeholders. We will be talking about this today and will ask for your feedback. ODOE will continue to work on this for the next year, until the Legislature adopts the final budget. We have not calculated an exact number yet, but in order to meet the current service level budget, the energy supplier assessment goes up. Cathy will share why that is, including decisions made at the State level, not ODOE. The increase in ESA may not be where we end up. This is the beginning of a conversation and many things may change between now and when the legislature adopts our budget.

Cathy began her presentation by sharing that she has worked on State of Oregon budgets for 15 years in two different states at the agency and executive level. Members were encouraged to ask questions at any point. Cathy walked through her slide show. [The PowerPoint presentation is available online.](#)

She spoke about the budget process:

- **Budget development timeline:** In March of this year we began developing the 2021-23 budget, which would start in July 2021. The 2019-2021 budget was approved June 29, 2019 by the Legislature, and eliminated sixteen positions, ten of which were eliminated in our agency request budget. This reduced the ESA by \$1.4 million from the previous biennium. This included cost of living adjustments and merit step increases. Last summer, the State negotiated pay increases for all state employees through DAS. This had a significant impact on our budget for 2021-23.
- **Developing ODOE's 2021-23 Budget:** In May we evaluated the base budget, making adjustments to revenue, debt service, and positions, and then to developing the CSL. Current Service Level is the estimated cost to continue to administer legislatively approved programs for the next biennium. We recalculate vacancy savings, which includes normal turnover. We look at phase-in and phase-outs. We had a couple of phase-outs in this biennium. Inflation is applied to the other parts of the agency and we move to technical adjustments and fund shifts. These are zero based changes – the budget level can't be increased or decreased. For example, we shifted about \$450,000 off other funds and onto federal funds in the planning and innovation program, as we anticipate an increase in our State Energy Program grant from the U.S. Department of Energy when the new grant cycle begins in July 2021. ODOE will submit its CSL to the Governor's Chief Financial Office and Legislative Fiscal Office for the next phase of

developing the budget. Policy Option Packages can change or add additional resources to existing or new programs.

Questions and Feedback:

Angela Crowley Koch: Asked why are the solar and storage rebates not included in the 21-23 budget requests? It was successful, and we spent half a million dollars setting it up? Cathy responded that it could not be included in our current service level budget because the Legislature gave us 'one-time funding,' so we are required to phase it out. Further down we will propose a POP for the program going forward, and we would like your feedback on that.

Nate Rivera: Wondered who makes decisions on things like cost of living increases and salaries, and can you make a request to the Governor or Legislature to have a freeze on those?

Cathy responded that the cost of living and step increases are negotiated by the Department of Administrative Services on behalf of executive agencies. DAS then tells us what the changes will be. We are provided with a salary pot and that gives us the ability to put some limitations on these. In terms of inflation the Chief Financial Officer give us the percentage levels. Those levels vary with general, professional service, AG etc. Those are the final numbers and we use them at the current service level. Janine added that these are determined by DAS and the agencies then implement them at these levels, while inflation is implemented at the other levels. She continued with the budget presentation by going over agency program divisions and standing councils and groups before asking for further questions.

Richard Devlin: Asked to clarify the maximum amount the assessment could be.

Cathy responded that we assessed on June 1, at 0.117% of gross reported revenues, down from the first year of the biennium. We assessed both years at the same amount and the revenues went up the second year. The maximum is at 0.375% and we are at 0.117%.

Richard Devlin: Followed up by suggesting that it would be good help the legislature that the actual limitation in statute is three times what is being assessed as well as the reality of ODOE's administrative costs given the mission of ODOEs work and the need for additional public affairs, IT support, and other areas. He also pointed out that some costs may change over time as the budget moves through the process, such as Attorney General fees.

Cathy responded that is a broader point, that the budgets are an iterative process, things can go down from CSL and often do. In good times, POPs get added and things go up. In times like now, we are going to see reductions as it goes through both the Governor's budget and the Legislature's budget.

Roger Kline: Spoke up to make sure that Richard understands that with the unemployment rate so high and the budget situation so dire, it's small comfort that the ESA rate is a third less than it could be. He advocated for cuts at ODOE so that the assessment would be reduced. He also reminded us that COUs pay for the NWPCC as well.

Janine thanked them both for their comments. Cathy continued her discussion, including slides about:

- Planning and Innovation Division's work and estimate funding
- Energy Development Services work, estimated funding, and a possible POP to continue the Oregon Solar + Storage Rebate Program at \$3 million over two years and 2.5 FTE

Cathy explained that the agency is proposing this POP in a time of great fiscal constraint because not only is it an extremely popular program, it also creates and sustains jobs in the solar industry in a time of much-needed economic recovery. The agency has reserved rebate requests exceeding the program's available dollars. In fact, when ODOE released the second bucket of funding in April for non-income restricted residential projects, it was fully reserved in less than 30 minutes.

Questions and Feedback:

Angela Crowley Koch: Indicated strong support for the POP.

Jana Gastellum: Also indicated support as an economic development opportunity and wise use of dollars.

Nicole Hughes: Indicated support for seeking general funds for this important program.

Cathy continued her presentation with a description of the Nuclear Safety and Emergency Preparedness program. During 2019-21 biennium, it became clear that the agency needs to expand its responsibilities for monitoring and controlling the disposal of radioactive waste following a Notice of Violation to an Oregon landfill. ODOE is submitting a POP for general fund support (rather than ESA dollars) for the Radioactive Waste Disposal Monitoring program.

Nicole Hughes: Asked a question about whether there is a party that should be held financially liable to cover the cost of radioactive waste disposal monitoring.

Janine responded that ODOE Assistant Director for Nuclear Safety and Emergency Preparedness Ken Niles presented on the Notice of Violation during Legislative Days earlier this year and spoke about the enforcement program at ODOE. ODOE currently does not have the authority to assess fines on the responsible party, Chemical Waste Management. The agency is addressing some program issues in Rulemaking and is exploring cost recovery options like fines.

Nate Rivera: Expressed an appreciation for ODOE's willingness to look at where the general fund can support ODOE's work.

Fred Huetten: Expressed interest in further conversations at a future EAWG meeting about nuclear preparedness.

Janine offered to put nuclear preparedness on the agenda for a future EAWG meeting. ODOE

can share information on the current situation and what has changed historically since the rules were put in place in the 80s.

Cathy moved on to the Energy Facility Siting Division, which is primarily funded by developers seeking an application on a cost recovery basis and is unique to each project. ESA is used to support what cannot be directly tied to an energy project, to support the Energy Facility Siting Council, and rulemaking activities. ESA covers about 28% of the division.

A POP would add two limited duration Utility and Energy Analysts: one to enable the agency to process and review applications and amendments within statutory timeframes if the division's workload increases, and the second to address compliance work within the program. The positions would only be filled if the workload required it, at an estimated \$487,000 total, mostly funded from fees on developers with some ESA.

Cathy continued with the Administrative Services Division, which includes the Director's Office and Central Services. The COVID-19 pandemic has shown us how important administrative services staff are during this time. Human Resources have kept staff aware of telecommuting and leave policy, and Central Services has adapted more than once to make sure that bills get paid, contracts move forward, and members of the public can reach out to staff. IT has kept us up and running so while the staff are currently remote, the staff are still connected with their colleagues inside the agency and out.

Cathy concluded her presentation and reiterated that the Agency Request Budget is the beginning of a rather iterative budget process. There will be changes along the way as the budget moves through the stages, from agency to Governor to the Legislature.

Questions and Feedback:

Richard Devlin: Clarified that he understands the frustration of the previous commenter, but he felt that the legislature should understand what the statutory basis is for the ESA. He indicated that the NWPPC is not seeking an increase in its budget this year, nor did it last year. He stated that the NWPPC often returns a portion of its budget to the BPA at the end of the year.

Janine thanked Devlin, stating that he was the former chair of the Ways and Means Committee and has a great knowledge of the budget process.

Nate Rivera: Asked what the timeline is for feedback on the budget.

Janine responded that we will need to upload the numbers for the POPs in the next few days, reiterating that this is the beginning of the conversation. This phase starts a conversation with the Governor's office and DAS before it turns into our Agency Request Budget, which is submitted at the end of July. The Governor's Request Budget comes out in late fall.

Nate Rivera: Asked whether comments submitted would be made available to the group and indicated that he would have comments.

Janine answered that she would be happy to do this. If you would like to send anything written, we will put it out to the Energy Advisory Work Group. We will be having a public budget meeting on July 16, where we are statutorily required to present our Agency Request Budget to the Energy Suppliers and the public of the projected revenue needed to fund each program and the projected allocation of money derived from the ESA. We can make adjustments to the POPs between now and the meeting.

Cathy said that we can make changes to the narration around the POPs but now is the time to put the numbers in, as we go through an audit process. She asked Nate Rivera if his comments would be around how money is used or whether it is asked for at all, and Nate responded that they would probably be around both.

Janine added that we could delay putting it into the system for a couple of days, but not much longer. She added that their comments are valuable to inform the discussions with the Governor's office. Nate indicated that he could get comments in before the holiday and would appreciate some time to follow up.

Angela Crowley Koch: Stated that she had heard some discussion on a community resilience program POP and was sad to not see it here. She asked why it wasn't included.

Janine said that it was an early Legislative Concept that didn't make it because of lack of funding identified. She stated that ODOE staff had many good ideas about potential new programs and POPs, but we didn't pursue most of them this year, as we are sensitive to the overall budget situation and the revenue of the ESA suppliers. ODOE has shared the community resilience program idea with our federal delegation and the National Association of State Energy Officials. There is legislation in Congress that would create funding from the federal government for a similar program. Janine thanked Angela for OSEIA's interest in that; we agree there is a need for this and would like to move forward when we do identify a source of funding for it.

Fred Huette: asked if there were other areas ODOE had considered doing a POP?

Janine responded that ODOE looked at other POPs that were similar to those from the last biennium:

- A new position in Planning and Innovation to focus on research and analysis, a need identified during the last Biennial Energy Report development.
- ODOE also identified additional funding needs to contract out with outside experts to enhance ODOE's research and analysis abilities.
- A third came from our strategic planning effort, through which we've identified a desire to strengthen our resources to provide more technical assistance for cities and counties doing energy and resilience planning.

ODOE does not want to propose new programs that would increase ESA, so we didn't move forward with those. Janine and Cathy reiterated that EAWG members can send any further comments or questions our way.

BIENNIAL ENERGY REPORT (BER) - REVIEW/FEEDBACK

Janine presented a draft framework for the Biennial Energy Report. The previous report had seven longform chapters. We decided to try something different based on feedback and previous experience. The current report is divided based on different sections, which are shorter and more accessible. Topics on the draft are not comprehensive but are examples of what might be covered. [Link to draft framework handout.](#)

Sections:

- Energy by the Numbers
- Energy 101
- Energy Resources and Technologies
- History and Policy Landscape
- Key Questions/Hot Topics – with a theme of an energy system in transition.

Questions and Feedback:

Fred Huet: Expressed thanks for the extensive effort reaching out for our input. We look forward to seeing the report going forward.

Janine thanked Fred and responded we may come back to a number of EAWG members for data requests.

Angela Crowley Koch: Wondered whether non-utility scale energy storage in relation to wildfire preparation would be included.

Janine responded that the report will touch on this in a few different places: residential storage in the energy resources and technology section; a hot topic on resilience that will touch on storage; and information on storage in the Solar plus storage rebate program section.

ODOE Technology & Policy Manager Jessica Reichers added that we should touch on it while discussing residential and commercial storage, and it may come up as we scope the sections further. We are highlighting activities actually happening in the state. If you are aware of any discussions on wildfire related issues, please let us know so we can highlight these in the vignettes.

Jana Gastellum: She echoed her thanks to ODOE staff for outreach. She feels the format is helpful and is showcasing ODOE's holistic technical expertise – including having nuclear safety included under environmental topics. She appreciates the inclusion of equity concepts such as energy burden and hopes ODOE continues to delve into these topics. She would like to see more on transportation electrification especially statewide access and rural opportunities.

Janine said she would pass on the comments to ODOE's Associate Director of Strategic Engagement & Development Ruchi Sadhir for her outreach. We have challenged our content managers to look at what the equity element is and are there voices that haven't been heard

on this topic?

Rick Williams: Rick is a Sr. fellow at PSU Center for Public Service, whose area of research is energy resilience. He has had discussions with Adam Schultz. Rick feels that there is no solid definition of resilience. He said that Adam has documented the fact that there is no agreed upon definition of resilience. Rick's research looks at what is resilience. He is interested in giving those involved with energy governance tools so they can take reasonable and prudent actions and invest in energy resilience, and one way to further this would be to add energy resilience to your hot topics list. He feels that in order to invest in resilience, definitions and values are necessary but are currently largely undefined.

CLOSING COMMENTS AND NEXT STEPS

Janine thanked everyone for coming and for the constructive conversation on budget and the Biennial Energy Report. She asked members to please continue to share thoughts on email, skype, etc.

Janine also reminded members and interested parties to mark calendars for July 16 from 3 to 5 for ODOE's public budget meeting. This concluded the formal portion of meeting.

DISCUSSION ON ODOE WHITE PAPERS

After the meeting concluded, ODOE staff remained on the line to discuss a series of white papers that staff are preparing, providing a preview for EAWG members before the papers are released to the public. Planning and Innovation Division Assistant Director Alan Zelenka kicked off the discussion. ODOE asked for feedback today on the papers, whether the information was clear, and whether the most important points were addressed, and whether the papers are striking the right tone. The draft papers are intended to educate and to get people on the same starting page for pending policy discussions.

Resource Adequacy White Paper by Adam Schultz

Adam shared that his paper is designed to help people understand the basic framework around resource adequacy as a concept in the electric sector, how it is evaluated, what the metrics are, and why is this a hot topic. It is written more generally to give better context on a complicated topic.

Adam shared that paper topics include: Identification of Key Policy Drivers Behind the Determination of Capacity Need and Capacity Solutions: Energy Vs Capacity; Resource Adequacy; Demand Forecast; Constraints on Supply Resources; and Climate Change. Adam identified four areas of policy dimensions: Perspective, Risk, Mechanism, and Period (measure of time). He looked at what solutions can address an identified capacity deficit, within those four areas. He also looked at what type of resources can meet a utility's or region's need for capacity and added some useful visuals to help people to understand these topics.

Questions and Feedback:

Nicole Hughes: Asked about the timing for when this will be completed and made public. Alan said these will be in the BER after we have done some peer review. Nicole said she and others involved would like to provide helpful feedback.

Fred Huette: Indicated that he has some thoughts on the paper and will reach out. He is glad to see this paper, as he is involved in an informal network across the states called the Western Clean Energy Advocates and has started a resource advocacy work group with a lot of interest across organizations and other groups. He suggested thinking about what we want the grid to look like in five or ten years, with increased load, increased load from vehicle electrification, a changing resource picture, and what can the many different resources provide. Encouraged thinking about it more dynamically going forward.

Adam said he would follow up.

Janine added that we hope to create this as a resource for EAWG members, we will make it available publicly, after which Adam and Rebecca would be able to give presentations, so please get back to us if you would like them to come present.

Nicole Hughes: Brought up that there are people who might have questions but who would have a hard time understanding the relationship between energy generation, capacity, and demand, and that maybe there should be a little more discussion on the demand side and how this can be a resource adequacy, which might change over time as demand changes.

Trends in Renewable Energy White Paper by Rebecca Smith

Rebecca shared that the vision for this paper is to provide stakeholders and policy makers with timely updates on recent trends in renewable portfolio standards, while going deeper into 100 Percent RPS and the 100 Percent Clean Electricity push. It is meant to be an update on what is new. RPSs are policy, but increasing targets is currently the focus. Carve-outs are a requirement where RPS utilities are required to meet some percentage of their compliance with a specific technology. Some carve-outs have been removed in areas like solar, and others are adopting new carve-outs such as with offshore wind. The paper looks at 100 Percent clean electricity standards. We look at the difference between 100 Percent RPS and 100 Percent clean standard, which vary across states. There are differences between states with non-binding goals and binding targets. The paper focuses on when the policy was enacted, and what the pathway for the policy was. Was it a gubernatorial executive order or through legislation? How are states defining them in terms of resource eligibility? Finally, it discusses the opportunities and challenges with each area.

For example, opportunities include de-carbonization benefits, and clean electricity standards offer evaluation of cleaner resources. Challenges discuss the limited pool of renewable resources that provide flexibility, cost (associated with reaching high renewable resources i.e. overbuild and curtail), and the need for greater transmission resources to meet 100 percent targets, including costs with siting transmission.

Questions and Feedback:

Fred Huette: Has been following clean peak standards and feels somewhat ambivalent about it, as it feels a bit rigid in relation to ramping concerns. He shared a second concern around accounting and setting up a crediting system (RPS). Does it address the right question? How do you provide the right kind of incentive payment structure for demand resource to come in, especially as it relates to the capacity issue?

Rebecca said she has been following this as well and is ambivalent because she is not sure if a quota policy is the right way to address the issues with steep ramping periods. Stakeholders feel policies like RPS are workable, but with emerging issues like ramping periods, we need to give stakeholders more flexibility to deal with these. We will see the same questions when we start to integrate more storage. Clean peak standards suffer from the same issues. Rebecca said as we see how other states are tinkering with mature policies, we may see how we might incorporate, or lessons learned.

Alan thanked EAWG members for their comments and said to send additional email comments or give us a call and ODOE can take feedback and answer questions.

Fred Huette: Asked about other white papers.

Alan responded there is one more in development on energy storage.

Janine closed the meeting after thanking Adam and Rebecca for their informative paper discussions. She looks forward to seeing you in late summer or early fall, most likely virtually again.